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South Dakota
Labor Bulletin

May 1986 — Published June 1986

TOURISM BOOSTS EMPLOYMENT

Traditionally, the South Dakota tourism season has brought about seasonal employment increases. But tourism-related businesses have also proven to be playing an increasingly substantial role in total nonfarm employment growth.

Employment in tourism-related businesses gained 6,722 jobs from 1975 through 1985. This represents a 47.6 percent increase over the ten-year period, which is more than twice the percentage increase, (18.3 percent), made in total non-farm employment.

Major business groups which are considered as being related to tourism, and see seasonal employment fluctuations, are restaurants, hotels/motels, trailer parks, amusement parks, gift shops, racing parks and public recreation facilities.

As the table below shows, 1985 employment levels in all but one of these sectors of tourism-related business noted increases from 1975 levels. Racing is the only sector that has shown a decrease since 1975. This is due to several reasons, one of which is changing consumer tastes in leisure activities and the consequential increase in competition with other forms of entertainment. These employers may also be contracting more work out and relying more heavily on volunteer help.

ANNUAL AVERAGE EMPLOYMENT
IN TOURISM-RELATED BUSINESSES

	1975	1980	1984	1985
Restaurants	10,000	13,258	14,476	14,814
Gift Shops	153	335	506	525
Hotels/Motels	2,938	3,567	3,667	3,834
Trailer Parks	15	70	105	99
Racing	282	284	252	200
Amusement	266	451	505	571
Public Recreation	462*	479*	493*	795**
Total	14,116	18,444	20,004	20,838

*Includes only state government employment.
**Now includes federal, state and local government employment in this sector.

From 1984 to 1985, employment in tourism-related businesses grew by 4.2 percent. This is slightly lower than the 4.8 percent average annual growth since 1975.

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SEASONALITY OF TOURISM-RELATED BUSINESS

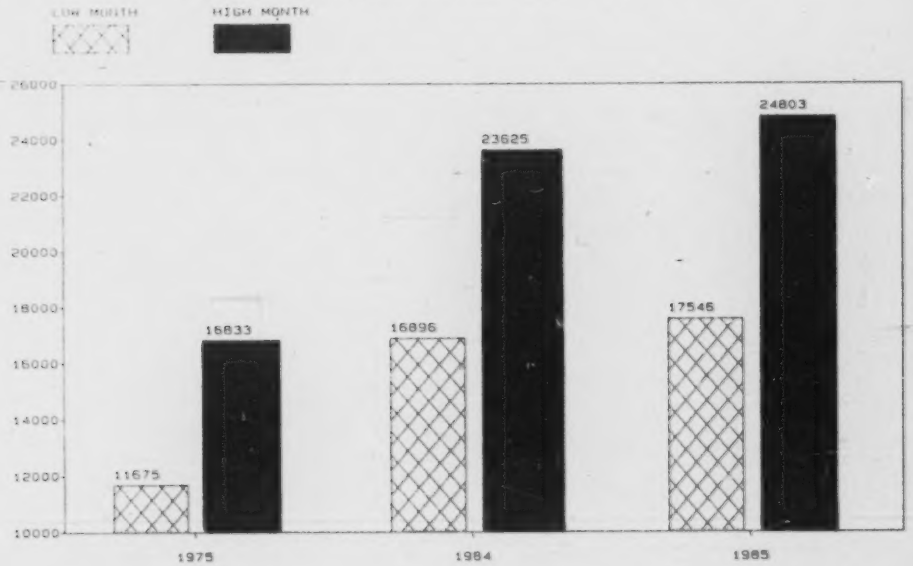
Employment in tourism-related business begins its increase in February each year, after falling to its lowest levels in January. The most dramatic month-to-month employment increase usually occurs between April and May. Since 1975, this April to May growth has averaged 11 percent. This is concurrent with the South Dakota tourism season. The rate of growth then slows slightly, but total employment continues to increase to peak levels, generally in August.

In 1985, the combined employment of these businesses peaked at 24,803 in August. The lowest level in 1985 was 17,546 in January. This is a variance of 41.4 percent. This variance between the high monthly employment level and the low monthly employment level has averaged 42.1 percent since 1975.

The graph below demonstrates how tourism-related employment fluctuates between the high and low months by detailing this information for 1975, 1984 and 1985.

As the 1986 vacation season gets underway in South Dakota, we will once again be reminded of the positive influence tourism has on the state's economy. If the 1986 tourism season follows historical trends, it will yield healthy employment increases to total nonfarm employment.

EMPLOYMENT
IN TOURISM-RELATED BUSINESSES
IN PEAK MONTH AND LOW MONTH



SOUTH DAKOTA LABOR MARKET IN MAY

Nonfarm wage and salary employment in South Dakota rose to 252,100 in May, an increase of 5,100 over the April level. On a year-to-year basis, this was down slightly, by 200 jobs, from the May 1985 level.

However, employment did increase in the services and government industries. The services industry noted a gain of 1,000 jobs over the year. Employment in this industry reached 60,200 this May, the highest of any May level on record. A new record of May employment was also set in the retail trade sector of the trade industry, which gained 100 jobs over the year, reaching 50,000. Government employment also increased since May 1985, growing by 400.

The manufacturing industry noted the largest over-the-year loss, being down 700 jobs. The wholesale and retail trade and the transportation and public utilities industries also noted declines over the year, dropping 300 and 200 jobs respectively.

MONTH-TO-MONTH EMPLOYMENT CHANGES

Employment in all major industries was up over the month, with the largest increases occurring in the wholesale and retail trade, construction and services industries. These gains can be largely attributed to seasonal hiring.

The construction industry, reflecting typical growth during warm weather, saw employment gains of 16 percent. Wholesale and retail trade employment increased by 1,500 jobs, reaching 66,300 in May. A large portion of this growth was in eating and drinking establishments, which were also affected by tourism.

The services industry gained 1,200 over the month. This too is a result of seasonal hiring, within such businesses as hotels, tourist attractions and recreational facilities. An over-the-month employment gain was also made in government, which increased by 500 jobs. This growth was concentrated mainly within the state and local government sectors, which were both up 300.

The manufacturing industry added 300 to its payroll over the month, reaching an employment level of 27,700. Employment within the mining industry remained stable from April to May, at 2,300.

The May unemployment rate in South Dakota was 4.0 percent, compared with the April rate of 4.1 percent and the 4.7 percent rate of one year ago. Approximately 343,300 South Dakotans were employed in May, which is an increase of 9,200 over the April level and 7,000 over the year ago level. The number of unemployed remained constant at April's level of 14,300. This is a decrease of 2,500 from the May, 1985 level.

LABOR FORCE / EMPLOYMENT / UNEMPLOYMENT

	May 1986 (1)				May 1985			
	Labor Force(2)	Employment	Unemployment	Rate	Labor Force(2)	Employment	Unemployment	Rate
United States	117,199,000	109,041,000	8,158,000	7.0	114,890,000	106,880,000	8,011,000	7.0
South Dakota	357,568	343,253	14,315	4.0	353,100	336,300	16,800	4.7
Sioux Falls MSA	70,115	67,766	2,349	3.4	68,347	65,582	2,765	4.0
Rapid City MSA	38,501	37,022	1,479	3.8	38,315	36,428	1,887	4.9
Aurora	1,610	1,599	11	0.7	1,514	1,485	29	1.9
Beadle	9,560	9,256	304	3.2	9,527	9,034	493	5.2
Bennett	1,617	1,566	51	3.2	1,482	1,447	35	2.4
Bon Homme	3,523	3,471	52	1.5	3,528	3,390	138	3.9
Brookings	14,280	13,175	1,105	7.7	14,245	12,909	1,336	9.4
Brown	20,587	19,515	1,072	5.2	20,323	18,898	1,425	7.0
Brule	2,879	2,816	63	2.2	2,930	2,769	161	5.5
Buffalo	462	402	60	13.0	472	400	72	15.3
Butte	3,540	3,370	170	4.8	3,692	3,564	128	3.5
Campbell	1,167	1,140	27	2.3	1,174	1,127	47	4.0
Charles Mix	4,382	4,207	175	4.0	4,128	4,017	111	2.7
Clark	2,056	1,991	65	3.2	2,061	1,921	140	6.8
Clay	6,575	6,289	286	4.3	6,564	6,279	285	4.3
Codington	11,701	11,140	561	4.8	11,553	10,827	726	6.3
Corson	1,813	1,594	219	12.1	1,659	1,585	74	4.5
Custer	3,633	3,570	63	1.7	3,768	3,593	175	4.6
Davison	8,785	8,597	188	2.1	8,816	8,593	223	2.5
Day	3,600	3,506	94	2.6	3,617	3,415	202	5.6
Deuel	2,417	2,267	150	6.2	2,328	2,200	128	5.5
Dewey	2,207	2,066	141	6.4	2,138	1,985	153	7.2
Douglas	1,788	1,754	34	1.9	1,729	1,702	27	1.6
Edmunds	2,359	2,312	47	2.0	2,389	2,313	76	3.2
Fall River	3,908	3,756	152	3.9	3,737	3,646	91	2.4
Faulk	1,326	1,304	22	1.7	1,289	1,258	31	2.4
Grant	4,526	4,342	184	4.1	4,400	4,200	200	4.5
Gregory	2,604	2,524	80	3.1	2,616	2,544	72	2.8
Haakon	1,195	1,170	25	2.1	1,249	1,228	21	1.7
Hamlin	2,438	2,351	87	3.6	2,444	2,343	101	4.1
Hand	2,275	2,235	40	1.8	2,178	2,145	33	1.5
Hanson	1,561	1,489	72	4.6	1,577	1,513	64	4.1
Harding	772	763	9	1.2	865	822	43	5.0
Hughes	8,932	8,719	213	2.4	8,642	8,308	334	3.9
Hutchinson	4,300	4,199	101	2.3	4,341	4,209	132	3.0
Hyde	918	904	14	1.5	923	882	41	4.4
Jackson	1,975	1,935	40	2.0	1,784	1,708	76	4.3

LABOR FORCE / EMPLOYMENT / UNEMPLOYMENT

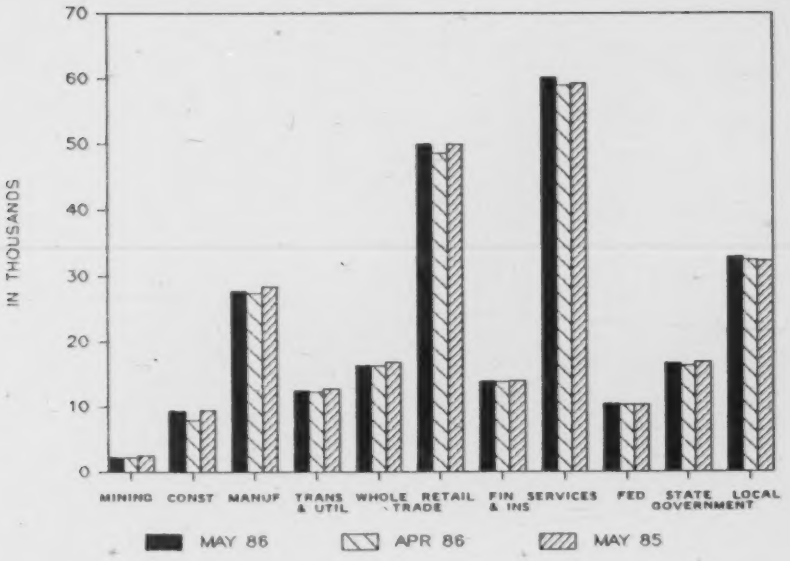
	May 1986 (1)				May 1985			
	Labor Force(2)	Employment	Unemployment	Rate	Labor Force(2)	Employment	Unemployment	Rate
Jerauld	1,259	1,252	7	0.6	1,324	1,252	72	5.4
Jones	699	688	11	1.6	719	696	23	3.2
Kingsbury	3,253	3,069	184	5.7	3,045	2,989	56	1.8
Lake	5,345	4,846	499	9.3	5,145	4,821	324	6.3
Lawrence	9,739	9,271	468	4.8	9,678	9,169	509	5.3
Lincoln	6,873	6,602	271	3.9	7,029	6,683	346	4.9
Lyman	1,672	1,540	132	7.9	1,588	1,532	56	3.5
McCook	3,023	2,860	163	5.4	2,877	2,751	126	4.4
McPherson	1,854	1,756	98	5.3	1,732	1,680	52	3.0
Marshall	2,262	2,201	61	2.7	2,337	2,226	111	4.7
Meade	9,432	9,061	371	3.9	9,614	9,206	408	4.2
Mellette	880	855	25	2.8	831	779	52	6.3
Miner	1,462	1,373	89	6.1	1,465	1,368	97	6.6
Minnehaha	70,115	67,766	2,349	3.4	68,347	65,582	2,765	4.0
Moody	3,586	3,432	154	4.3	3,435	3,243	192	5.6
Pennington	38,501	37,022	1,479	3.8	38,315	36,428	1,887	4.9
Perkins	2,641	2,605	36	1.4	2,604	2,596	35	1.3
Potter	1,594	1,565	29	1.8	1,574	1,535	39	2.5
Roberts	4,775	4,504	271	5.7	4,654	4,407	247	5.3
Sanborn	1,314	1,260	54	4.1	1,241	1,196	45	3.6
Shannon	2,844	2,596	248	8.7	2,848	2,601	247	8.7
Spink	3,972	3,889	83	2.1	3,945	3,832	113	2.9
Stanley	1,577	1,546	31	2.0	1,542	1,466	76	4.9
Sully	1,003	985	18	1.8	938	907	31	3.3
Todd	2,812	2,633	179	6.4	2,695	2,565	130	4.8
Tripp	3,447	3,358	89	2.6	3,483	3,374	109	3.1
Turner	4,251	4,099	152	3.6	4,268	4,126	142	3.3
Union	5,436	5,145	291	5.4	5,396	5,048	348	6.4
Walworth	3,252	3,100	152	4.7	3,112	3,042	70	2.2
Yankton	10,491	10,182	309	2.9	10,645	10,061	584	5.5
Ziebach	929	898	31	3.3	966	925	41	4.2

(1) Preliminary data subject to revision.

(2) Labor Force estimates include employed and unemployed civilians 16 years old and older by place of residence.

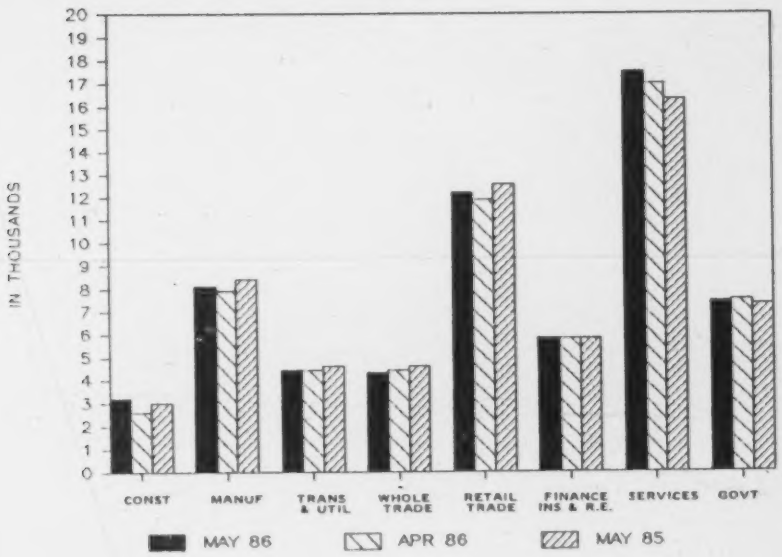
(3) The seasonally adjusted rates which were announced by the national government were 7.3 and 7.3. The data in this table are not seasonally adjusted.

SOUTH DAKOTA NONFARM WAGE AND SALARY EMPLOYMENT



	MAY 1986	APRIL 1986	MAY 1985	Percent Change From Last Month	Percent Change From Last Year
TOTAL	252.1	247.0	252.3	2.1	-.1
MINING	2.3	2.3	2.5	.0	-8.0
CONSTRUCTION	9.4	8.1	9.5	16.0	-1.1
MANUFACTURING	27.7	27.4	28.4	1.1	-2.5
Durable Goods	14.9	14.6	15.6	2.1	-4.5
Fabricated Metals & Machinery	8.8	8.7	9.6	1.1	-8.3
Nondurable Goods	12.8	12.8	12.8	.0	.0
Food & Kindred Products	7.5	7.5	7.4	.0	1.4
Paper, Printing & Publishing	2.8	2.7	2.7	3.7	3.7
TRANSPORTATION AND PUBLIC UTILITIES	12.5	12.4	12.7	.8	-1.6
Transportation	7.4	7.3	7.4	1.4	.0
Communication	2.8	2.8	3.0	.0	-6.7
Electric/Gas/Sanitary Services	2.3	2.3	2.3	.0	.0
WHOLESALE AND RETAIL TRADE	66.3	64.8	66.6	2.3	-.5
Wholesale Trade	16.3	16.2	16.8	.6	-3.0
Durable Goods	7.1	7.1	7.5	.0	-5.3
Nondurable Goods	9.2	9.0	9.2	2.2	.0
Retail Trade	50.0	48.6	49.9	2.9	.2
FINANCE, INSURANCE AND REAL ESTATE	13.9	13.8	14.0	.7	-.7
SERVICES	60.2	59.0	59.2	2.0	1.7
Hotels, Amuse., Pers. & Business	15.7	15.1	16.1	4.0	-2.5
Medical and Health	23.0	23.0	22.6	.0	1.8
Educational, Membership & Social	18.1	17.6	17.2	2.8	5.2
GOVERNMENT	59.7	59.2	59.3	.8	.7
Federal	10.5	10.4	10.3	1.0	1.9
State	16.6	16.3	16.8	1.8	-1.2
State Education	8.2	8.0	8.2	2.5	.0
Local	32.7	32.4	32.2	.9	1.6
Local Education	19.2	19.4	18.6	-1.0	3.2

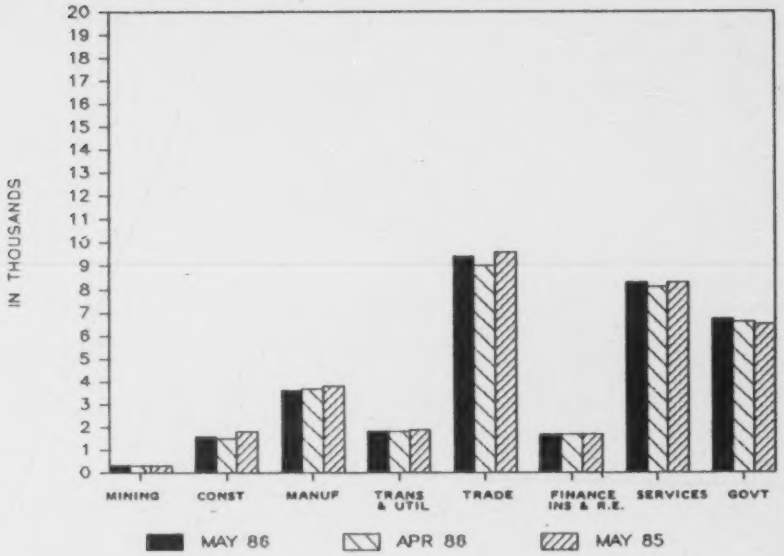
SIOUX FALLS MSA NONFARM WAGE AND SALARY EMPLOYMENT



	MAY 1986	APRIL 1986	MAY 1985	Percent Change From Last Month	Percent Change From Last Year
TOTAL	63.0	61.6	62.6	2.3	.6
1/ MINING	---	---	---	---	---
CONSTRUCTION	3.2	2.6	3.0	23.1	6.7
MANUFACTURING	8.1	7.9	8.4	2.5	-3.6
TRANSPORTATION AND PUBLIC UTIL.	4.4	4.4	4.6	.0	-4.3
TRADE	16.5	16.4	17.1	.6	-3.5
Wholesale Trade	4.3	4.4	4.6	-2.3	-6.5
Retail Trade	12.2	11.9	12.6	2.5	-3.2
FINANCE, INS. & REAL ESTATE	5.8	5.8	5.8	.0	.0
SERVICES	17.5	17.0	16.3	2.9	7.4
GOVERNMENT	7.4	7.5	7.3	-1.3	1.4

1/ Mining employment not published, employment less than 100 workers.

RAPID CITY MSA
NONFARM WAGE AND
SALARY EMPLOYMENT



	MAY 1986	APRIL 1986	MAY 1985	Percent Change From Last Month	Percent Change From Last Year
TOTAL	33.4	32.6	33.8	2.5	-1.2
MINING	0.3	0.3	0.3	.0	.0
CONSTRUCTION	1.6	1.5	1.8	6.7	-11.1
MANUFACTURING	3.6	3.7	3.8	-2.7	-5.3
TRANSPORTATION AND PUBLIC UTIL.	1.8	1.8	1.9	.0	-5.3
TRADE	9.4	9.0	9.6	4.4	-2.1
FINANCE, INS. & REAL ESTATE	1.7	1.7	1.7	.0	.0
SERVICES	8.3	8.1	8.3	2.5	.0
GOVERNMENT	6.7	6.6	6.5	1.5	3.1

The figures on Pages 6, 7 and 8 include almost all nonfarm wage earners (full and part-time) but exclude the self-employed. They are derived from a monthly sample survey of South Dakota nonagricultural establishments and include workers on the payroll for the week including the 12th of the month. These tables compare the current month's employment totals of the major industry groups to the totals of the previous month and year.

NOTE: The data on pages 4, 5, 6, 7 and 8 and the Hours and Earnings of Production and Related Workers data on page 9 are developed by the South Dakota Department of Labor in cooperation with the U.S. Bureau of Labor Statistics.

HOURS AND EARNINGS OF PRODUCTION & RELATED WORKERS

	Number of Production Workers			Average Weekly Hours		
	MAY 1986	APRIL 1986	MAY 1985	MAY 1986	APRIL 1986	MAY 1985
South Dakota Statewide						
Manufacturing.....	20,751	20,637	21,671	42.4	42.2	43.4
Durable Goods.....	11,494	11,337	12,273	41.6	41.1	42.4
Nondurable Goods..	9,257	9,300	9,398	43.4	43.6	44.8
Sioux Falls MSA						
Manufacturing.....	6,117	5,991	6,233	46.4	47.6	49.3

	Average Weekly Earnings			Average Hourly Earnings		
	MAY 1986	APRIL 1986	MAY 1985	MAY 1986	APRIL 1986	MAY 1985
South Dakota Statewide						
Manufacturing.....	$327.75	$324.94	$320.29	$7.73	$7.70	$7.38
Durable Goods.....	306.18	305.37	311.22	7.36	7.43	7.34
Nondurable Goods..	354.14	349.24	332.86	8.16	8.01	7.43
Sioux Falls MSA						
Manufacturing.....	$375.38	$378.42	$361.37	$8.09	$7.95	$7.33

The term "production and related workers" includes supervisors and all nonsupervisory workers engaged in fabricating, processing, assembling, inspecting, warehousing, shipping, maintaining, recordkeeping and other services closely associated with production operations. The data cover full and part-time employees who worked during or received pay for the payroll period that includes the 12th of the month. Persons on sick leave, vacations, or holidays, and being paid for that period by their employer, are considered employed. Payroll and worker-hour data are collected for production and related workers in manufacturing industries.

CONSUMER PRICE INDEX ALL URBAN CONSUMERS

1967=100	APRIL 1986	MARCH 1986	APRIL 1985	Percent Change From Last Month	Percent Change From Last Year
All Items.....	325.3	326.0	320.1	-.2	1.6
Food & Beverages....	308.5	307.8	301.6	.2	2.3
Housing.....	358.0	357.0	345.9	.3	3.5
Apparel.....	207.3	206.3	205.9	.5	.7
Transportation.....	303.3	309.6	320.0	-2.0	-5.2
Medical Care.....	428.0	425.8	398.0	.5	7.5
Entertainment.....	272.3	271.9	263.3	.1	3.4

The Consumer Price Index is a widely watched national indicator of inflation. It is a measure of change, over time, in the prices of goods and services in major expenditure groups typically purchased by urban consumers. It measures the change in prices by comparing what a sample "market basket" of goods and services costs today with what the same sample "market basket" cost at an earlier date.

Source: U.S. Bureau of Labor Statistics.

CHARACTERISTICS OF THE INSURED UNEMPLOYED[1]

NUMBER

	MAY 1986	APR. 1986	MAY 1985
Sex, Total	2,488	3,455	2,453
Male	1,432	2,351	1,336
Female	1,056	1,104	1,117
Race, Total	2,488	3,455	2,453
White	2,234	3,186	2,263
Nonwhite	254	269	190
Age, Total	2,488	3,455	2,453
Under 45	1,870	2,663	1,879
Over 45	618	792	574
[2] Industry, Total	2,488	3,455	2,453
Mining	22	83	45
Construction	378	831	290
Manufacturing	704	918	881
Transportation & Public Utilities	97	129	89
Trade	582	762	551
Finance, Insurance & Real Estate	65	53	65
Services	542	537	451
Government	98	142	81
[2] Occupation, Total	2,488	3,455	2,453
Professional & Managerial	271	327	290
Clerical and Sales	507	501	429
Services	297	370	263
Processing	53	86	76
Machine Trade	137	146	104
Benchwork	423	513	613
Structural Work	543	1,039	416
Other	257	473	262
Duration of Current Unemployment			
Total	2,488	3,455	2,453
1-2 Weeks	405	425	337
3-4 Weeks	265	296	216
5-14 Weeks	877	1,441	996
15 Weeks & Over	941	1,293	904

[1] The insured unemployed are those unemployed persons who had worked for employers covered by South Dakota's Unemployment Insurance Laws, and who are eligible for unemployment compensation.

[2] Refers to industry and occupation involvement prior to unemployment.

SELECTED LABOR DEPARTMENT ACTIVITIES

	MAY 1986	APRIL 1986	MAY 1985	Percent Change From Last Month	Percent Change From Last Year
UNEMPLOYMENT INSURANCE					
A. Initial Claims.....	1,555	2,280	1,856	-31.8	-16.2
B. Weeks Claimed.....	9,884	19,103	13,171	-48.3	-25.0
C. Amount of Benefit Payments..	$1,101,824	$1,460,081	$1,105,895	-24.5	-.4
D. Unemployment Trust Fund Bal.	$33,717,600	$32,332,400	$28,764,900	4.3	17.2
JOB SERVICE					
E. Applicants Available (New and Renewals).....	8,159	5,958	7,066	36.9	15.5
F. Nonfarm Placements.....	5,113	3,973	4,201	28.7	21.7
G. Nonfarm Job Openings.....	6,186	5,263	5,287	17.5	17.0

	May 1986
H. Unemployment Insurance Savings	$97,101

Aid to Families with Dependent Children (ADC) Recipients	May 1986 People	May 1986 Savings in Dollars
I. Employed.....	29	$4,976
J. Partial Employment.....	111	$10,011

The data in this table are taken from the records of the state unemployment insurance program, the state Job Service system, and the South Dakota Department of Social Services.

A. Initial Claims - The total number of first claims for unemployment compensation.

B. Weeks Claimed - The total number of weeks for which claimants received compensation under the state Unemployment Insurance program.

C. Amount of Benefit Payments - The total amount of money paid to claimants through our state program.

D. Unemployment Trust Fund Balance - The fund to which all required Unemployment Insurance taxes are paid and from which all benefits to claimants are paid.

E. Applicants Available (New and Renewals) - The total number of different individuals who registered or renewed their applications for work at Job Service offices in the state.

F. Nonag Placements - A count of the number of times during the month that Job Service applicants were hired by nonfarm employers.

G. Nonag Job Openings - A count of new job openings received during the month by South Dakota Job Service offices from nonfarm employers.

H. Unemployment Insurance Savings - Estimated dollars saved due to placement of Unemployment Insurance claimants by Job Service.

I. Employed - The number of people no longer needing ADC and the dollars saved due to their employment.

J. Partial Employment - The number of people with reduced ADC payments and the dollars saved due to their partial employment.

South Dakota
Labor Bulletin

BULK RATE

PRESORTED 3RD CLASS MAIL
POSTAGE & FEES PAID
U.S. Department of Labor
Permit NO. G-12

Labor Market Information Center
P.O. Box 4730
Aberdeen, South Dakota 57402-4730

Official Business
Penalty for Private Use $300

FORWARDING AND ADDRESS CORRECTION REQUESTED

Congress Information Center
SRI 4520 East
West Highway
Bethesda, MD 20814

DID YOU KNOW???

South Dakota ranked 17th in the nation in per capita distribution of federal funds for fiscal year 1985. Included in this distribution are federal grants, salaries and wages of federal employees, direct payments to individuals (such as Social Security), procurement contract awards (such as for military materials and services), and other expenditures.

South Dakota received 2.3 billion dollars in federal funds during fiscal year 1985. Using the July 1, 1985 population estimate of 708,000 persons in South Dakota, this means that approximately $3,265 per capita was returned to South Dakota.

Grants to state and local governments totaled 480 million dollars, ranking South Dakota fourth in the nation for monies received per capita in this category. Salaries and wages of federal employees (including the Department of Defense military and civilian personnel) totaled 375 million. This placed South Dakota 15th in nationwide ranking. Additional expenditures include: direct payments to individuals, 1,033 million ranked 16th; procurement contract awards, 147 million, ranked 48th; and other expenditures, 276 million, ranked 4th nationally.

Federal expenditures in South Dakota increased 46.6 percent from 1981 to 1985, compared to the national average increase of 35.1 percent.

SOURCE: Federal Expenditures by State for Fiscal Year 1985, U.S. Department of Commerce, Bureau of the Census.

JOB SERVICE OF SOUTH DAKOTA

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